



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

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Governor

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Mark D. Birdwhistell
Secretary

Glenn Jennings
Commissioner

November 13, 2006

RE: CONSUMER DIRECTED OPTION SERVICES SCL (33) Provider Letter Number: A-19

Dear Supports for Community Living Waiver Provider:

Effective November 30, 2006 the Department for Medicaid Services (DMS) will be offering the Consumer Directed Option (CDO) as an alternative option for delivery of non-medical non-residential Supports for Community Living (SCL) services. Only members who do not receive residential services through the SCL waiver can participate in CDO. An SCL member may choose to self-direct Respite, Community Living Supports and Adult Day Training.

If an existing SCL member contacts their case manager and chooses CDO for all or part of these services, the current case manager will assist the member in completing the enclosed addendum to the MAP 351, "Waiver Assessment". The case manager must immediately fax the signed addendum to SHPS, the Support Broker agency in their area (listing enclosed) and the Department for Medicaid Services. The Case Manager will forward a copy of the member's current packet, including the completed addendum, to the Support Broker within two (2) business days of notification. Once the CDO process is started, the case manager will be responsible for coordinating with the member and Support Broker in the development of the new POC/SSP, especially with respect to blended services. The case manager will also assist in the transition of services to and from CDO.

As of November 30, 2006 any new admission or recertification to the SCL waiver shall be informed of CDO at the time of the assessment/reassessment. If the member chooses CDO, the choice will be reflected in Section 10 of the MAP 351. If the member opts to utilize CDO, the agency shall contact the QIO to obtain the level of care certification and forward the completed MAP 350 and MAP 351 to the Support Broker.

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If you have any questions or require any additional information, please contact Linda Proctor or Sheila Davis at (502) 564-5560.

Sincerely,

Glenn Jennings
Commissioner

Enclosure(s)

Xc: SCL (33) Provider Letter Number: A-19

GJ/CB/AGK/sm/amd00127

Area Agencies on Aging:

BARREN RIVER AREA: (270) 781-2381

ALLEN, BARREN, BUTLER, EDMONSON, HART, LOGAN, METCALFE, MONROE, SIMPSON, WARREN

BIG SANDY AREA: (606) 886-2374

FLOYD, JOHNSON, MAGOFFIN, MARTIN, PIKE

BLUEGRASS AREA: (859) 269-8021

ANDERSON, BOYLE, BOURBON, CLARK, ESTILL, FAYETTE, FRANKLIN, GARRARD, HARRISON, JESSAMINE, LINCOLN, MADISON, MERCER, NICHOLAS, POWELL, SCOTT, WOODFORD

BUFFALO TRACE AREA: (606) 564-6894

BRACKEN, FLEMING, LEWIS, MASON, ROBERTSON

CUMBERLAND VALLEY AREA: (606) 864-7391

BELL, CLAY, HARLAN, JACKSON, KNOX, LAUREL, ROCKCASTLE, WHITLEY

FIVCO AREA: (606) 739-5191

BOYD, CARTER, GREENUP, ELLIOTT, LAWRENCE

GATEWAY AREA: (606) 674-6355

BATH, MENIFEE, MONTGOMERY, MORGAN, ROWAN

GREEN RIVER AREA: (270) 926-4433

DAVIESS, HANCOCK, HENDERSON, McLEAN, OHIO, UNION, WEBSTER

KIPDA AREA: (502) 266-6084

BULLITT, HENRY, JEFFERSON, OLDHAM, SHELBY, SPENCER, TRIMBLE

KENTUCKY RIVER AREA: (606) 436-3158

KNOTT, LESLIE, LETCHER, PERRY, BREATHITT, LEE, OWSLEY, WOLFE

LAKE CUMBERLAND AREA: (270) 866-4200

ADAIR, CASEY, CLINTON, CUMBERLAND, GREEN, McCREARY, PULASKI, RUSSELL, TAYLOR, WAYNE

LINCOLN TRAIL AREA: (270) 769-2393

BRECKINRIDGE, GRAYSON, HARDIN, LARUE, MARION, MEADE, NELSON, WASHINGTON

NORTHERN KENTUCKY AREA: (859) 283-1885

BOONE, CAMPBELL, CARROLL, GALLATIN, GRANT, KENTON, OWEN, PENDLETON

PENNYRILE AREA: (270) 886-9484

CALDWELL, CHRISTIAN, CRITTENDEN, HOPKINS, LIVINGSTON, LYON, MUHLENBERG, TODD, TRIGG

PURCHASE AREA: (270) 247-7171

BALLARD, CALLOWAY, CARLISLE, FULTON, HICKMAN, GRAVES, MARSHALL, MCCracken

Frequently Asked Questions SCL Providers and Support Brokers

1. What is “Consumer Direct Option (CDO)?”

Consumer Directed Option (CDO) is a new option that is being offered for Medicaid members who receive services through the Supports for Community Living (SCL). This option will be available for SCL on November 30, 2006. HCB members have been enrolling since September 30, 2006 and ABI members will enroll beginning January 30, 2007. CDO allows members to choose who provides their non-medical non-residential waiver services which allows them greater freedom of choice, flexibility, and control over their supports and services. Members can choose to direct all or some of their non-medical waiver services. Only members who do not receive residential services through the SCL program can enroll in CDO.

2. Who can choose CDO?

Members who are currently receiving or become eligible to receive Supports for Community Living waiver services through the Kentucky’s Medicaid program may choose to participate in CDO. If the member is unable to perform the responsibilities of CDO, they may choose a representative to assist them. **Effective November 30, 2006, members who receive non-medical non-residential waiver services through the Supports for Community Living Waiver (SCL)(for persons with MR/DD) can elect Consumer Directed Option for some or all of those services.** Members receiving services through the Home and Community Based Waiver (HCB) for persons who are aged and disabled are enrolling currently and the Acquired Brain Injury (ABI) for persons who have acquired brain injury will be enrolled at a later date.

3. Which services and supports are available through CDO?

The non-medical non-residential SCL services: Respite, Community Living Supports and Adult Day Training

4. Who can provide CDO services or supports?

The SCL waiver member/representative may recruit, hire, and supervise their own staff to provide services as approved in their plan of care. Staff may include family members, friends, neighbors or other persons recruited by the individual including provider agencies. All individuals chosen to provide CDO services must complete CDO training, CPR and First Aid training, agree to comply with all state and federal labor and tax laws, complete a CDO provider agreement (MAP-074) with Department for Medicaid Services (DMS), and submit to a criminal background check.

5. What are the member/representative’s responsibilities under CDO?

The member/representative will be responsible to:

- Hire, train, supervise and, when necessary, fire employees;
- Participate in the development of the POC/SSP and manage their individual budget;
- Pay your patient liability. Failure to pay patient liability will result in immediate termination from CDO;
- Complete all the paperwork necessary to participate in the CDO program, and follow all tax and labor laws.
- Keep all scheduled appointments.

6. What is a Support Broker?

A Support Broker is required for all members participating in CDO whether they direct all of their services or choose to receive a blend of services under the traditional and consumer directed options. The Support Broker acts as the Case Manager for members who choose CDO. Functions of the support broker include:

- providing information to the member regarding making informed choices;
- care planning which includes assisting the member with the development and/or revision of the CDO plan of care/support spending plan (POC/SSP) utilizing person centered planning;
- submitting POC/SSP to PRO for prior authorization of services;
- assisting with authorizing services and additional funding if necessary;
- monitoring the CDO POC/SSP to ensure that services provided are within the scope of the POC/SSP and prior authorization limits;
- monitoring the member's satisfaction with and quality of service provision;
- assisting with locating services and negotiating rates;
- providing training on hiring, training, scheduling and terminating service providers;
- enrolling CDO employees and providing criminal background checks;
- coordinating with providers under the traditional service delivery model if the individual is receiving services under both service delivery models;
- coordinating with providers under the traditional service delivery model as the member transitions into or out of CDO;
- verifying that payment is made only for services identified and authorized on the consumer's CDO Plan of Care/Support Spending Plan (POC/SSP)
- working closely with the financial management provider to ensure payment for service provision;
- working closely with the traditional provider agency conducting the reassessment on members they are providing support brokerage for;
- assisting with the development of and monitoring of the participant's emergency back up plan;
- conducting quarterly reviews of participant's spending; and
- completing all necessary paperwork.

Additionally, activities such as providing technical assistance regarding managing the individual budget, spending and records management to participant's and service providers shall be included under this service. Support Brokerage shall be available twenty-four (24) hours per day, seven (7) days per week. The support brokerage entity shall be independent of other service provision.

7. What is a Financial Management Agency?

Financial Management is an administrative activity, and is required for all individuals participating in the consumer direction option. The Area Development Districts (ADD's) will be the Financial Management Agency (FMA) in Kentucky. The FMA will pay for services provided for the consumer as approved in their POC/SSP. The functions of the FMA include:

- distributing funds contained in the consumer's individual benefit total and completing tax and federal employment forms;
- completing fiscal accounting functions and expenditure reports and submitting as requested by Medicaid;
- withholding federal, state and local taxes from payment to service providers; establish employment packet and FEIN for each provider;
- ensuring all federal, state and local tax laws are complied with and accurate tax reporting , employment and wage laws are complied with;

- billing the member for patient liability;
- maintaining an audit trail of disbursement of funds from the consumer's individual benefit total.

8. What is an individualized budget?

An individualized budget will be provided to the member to negotiate services under CDO. The budget will be established by Medicaid for the member based on that member's actual historical costs (previous year's expenditures) which will be adjusted for any rate changes and the individual utilization rate which reflects the difference between authorized and delivered services. For new members or for those whose needs change, Medicaid will set the individual budget based on historical cost for the service. In the event the member's needs increase and this change results in an increase to individual benefit total a budget revision will be requested from Medicaid. The prior authorization will follow the same requirements for approval as the traditional service option for prior authorization. The member/representative will be responsible for managing this budget. The budget will be determined every six (6) months. The Individual Budget will be reviewed at that time by the Support Broker to ensure that the outcomes identified on the POC/SSP are met. When developing the POC/SSP, the member/representative will have the ability to transfer funds from a service area/line item within their plan as long as the individual budget area limitations and the total budget amount for the authorized period are not exceeded. If the member/representative wish to access additional funds or utilize funds to support an outcome not addressed in their current budget, they will notify their support broker and request a revision of their POC/SSP.

9. How will CDO services be paid?

CDO services will be paid through submission of a timesheet to the Support Broker who will verify service with the POC/SSP and forward to the FMA for payment.

10. What if the member no longer chooses or is no longer able to participate in CDO?

If the member no longer chooses or is no longer able to participate in CDO, the member/representative will to contact the Support Broker. The Support Broker will assist the member in completing the termination form and facilitating the transition of services to the traditional waiver program with no break in service.

11. What if the Member needs waiver services that are not part of CDO?

The only services that can be consumer directed through the SCL are the non-medical non-residential services (Respite, Community Living Supports and Adult Day Training). All other waiver services will be provided through the traditional program.

12. What is the traditional Case Manager's role in CDO?

If CDO or blended services are chosen the current Case Manager will notify the QIO and the Support Broker and forward the MAP 351, MAP 350 and current MAP 145 to the Support Broker. The Case Manager will coordinate with the member and Support Broker in development of the plan of care and transition of services. The traditional Case Manager will be notified, prior to the expiration of LOC, that a reassessment will be required for the individual. This is a billable service if LOC for the waiver is granted.

13. How can providers find out if they are duplicating services or if an individual has CDO services?

Providers will continue to do all assessments and will refer all members who choose CDO to the Support Broker. If there is question of duplicating services, the provider may contact the QIO or the Department for Medicaid Services.

14. Who can be a Support Broker and what are the necessary qualifications?

DMS has contracted with the Division of Aging for the Support Broker and Financial Management functions. The Area Agencies on Aging (AAA's) will perform the Support Broker functions. The AAA's currently provide case management services to individuals who self-direct personal care services through the Aging program. They are available statewide and are independent of any other service provision. The qualifications of a Support Broker parallel those of the Case Manager in each waiver. There are additional requirements for the provision of CDO.

15. What measures will be taken to ensure that the system is not defrauded?

All services must be prior authorized by the QIO. Claims for services will be paid only after the service has been delivered and the required documentation has been submitted. Auditing of paid claims will occur along with monitoring of service provision as they are currently under the traditional system.

16. When will Support Broker and Financial Management training and/or workshops start?

Training has been ongoing for the AAA's and ADD's since August 2006. A training specific to SCL was presented on November 6, 2006. Presentations at Provider Workshops and Advocacy organizations have already occurred. Information will be distributed regarding upcoming presentations. Additional training will be ongoing.

17. Will there be a website with CDO information?

Information on CDO will be available on the Medicaid website.

18. Will Support Brokerage and Financial Management cost the state more money?

Funds previously used to pay for case management services will now go toward Support Brokerage. Financial Management is an administrative cost which will be paid by Medicaid.

19. Who will be paid for services if the member gets a combination of CDO and traditional (blended) services?

Providers performing services through the traditional waiver program will continue to submit claims to and be paid by the Medicaid fiscal agent. CDO claims will be paid directly to the member's employees by the ADD.

20. Who will monitor the support broker and assess quality?

DMS will do monitoring for program compliance and quality.

21. When will assessment and reassessment be conducted for individuals choosing CDO?

The traditional waiver providers will continue to conduct all assessments and reassessments for LOC determination and submit to the PRO for determination. Once LOC is granted, the traditional provider will submit the claim to be paid by the Medicaid fiscal agent. The Case Management agency will be notified by the Support Broker prior to expiration of the member's LOC so that a reassessment can be scheduled.

22. Is the MAP 552 still required under CDO

Yes. The Financial Management Agency will collect patient liability. Failure on the part of the member to pay patient liability will be cause for immediate termination from CDO.

23. What is the expected enrollment for CDO over a five year period?

It is anticipated that during the first year 250 people may choose CDO, 500 during the second year and 2000 by the fifth year. There is no limit to the number of members who may choose CDO.

24. What is the state's expectation regarding caseload for Support Brokers?

Currently, the number for a caseload is not limited. Monitoring of caseloads will be conducted by the Medicaid to ensure that the quality of supports received by the individuals is appropriate.

25. Who will assume liability for employees?

The member will be liable for his/her employees.

26. In the SCL waiver, if a member chooses CDO will they have a Case Manager or Support Broker?

- A member will have a Case Manager if they choose the traditional service delivery exclusively. An individual who chooses CDO or blended services will have a Support Broker.

27. Can the state guardian be a representative?

Yes. The state guardian can agree to be the representative of the person for whom they are guardian. The state guardian must also assist with finding another person to be the individual's CDO representative.

28. What happens if the member has an emergency situation?

The AAA's are required have the same requirements as the current case management agencies do for 24/7 coverage. All CDO participants will also have an emergency backup plan to follow.

29. If a family member is supposed to be providing services, how will the state ensure that the services are actually being done?

Documentation of service provision is required prior to payment of claims. Monitoring by the Support Broker and Medicaid will be conducted to ensure services are provided in accordance with the approved POC/SSP.

30. Will the Support Broker be responsible for documentation of services rendered to the member?

The member will be responsible for documenting services and submitting paperwork to the Support Broker. The Support Broker will maintain the appropriate documentation for payment of the member's employees. Monitoring will also ensure services are provided and that the service delivered follows the plan of care and meets the individual's needs.

31. Will there be a training module for members who choose CDO?

Members, their representatives and their employees are required to have training on self determination and person centered planning. Medicaid will provide the training to the Support Brokers who will train the members, representatives and employees. All employees are required to

have training in CPR and First Aid at their own expense. Any additional training requested of the employee by the member will be the responsibility of the member.

32. Will background checks be similar for CDO and traditional services?

Background checks will be required for all employees hired by the member. The Support Broker will provide criminal backgrounds checks.

33. How will members know about CDO?

A letter will be sent to all current SCL Waiver members. The member can contact their case manager, the Support Broker, and Medicaid for information on enrolling in CDO.

34. How will members transition between Case Management and Support Brokerage?

Once a member chooses CDO or blended services, they will notify their traditional Case Manager who will then refer them to the Support Broker. The Support Broker will work with the case manager and the member to develop a CDO person centered plan.

35. Does the individual's guardian have the final say in who will be the representative?

Yes.

36. If a family member provides the service, who is responsible for the monthly summaries?

The member/representative is responsible for providing any required documentation for payment of claims. A family member acting as representative cannot provide services.

37. Who would be responsible for monitoring the service provision?

The Support Broker and state staff.

38. Will the Support Broker subcontract with transportation providers?

No. Support Broker is required to be totally independent of any other service provision.

39. Is there any financial incentive for the Support Broker to spend less money?

No.

40. Will the Support Brokerage be surveyed for quality?

The Support Broker will have specific contract requirements that will be required to be met for continued contracting with DMS. These requirements are consistent with the current case management requirements and meet the CMS Quality protocol.

41. Are the rates for CDO services negotiable after the POC/SSP has been approved?

Negotiating rates is part of development of the POC/SSP.

42. How often will monitoring occur?

At least once a year. The Support Broker will be responsible for monitoring on a monthly basis.

43. Who will pay for the assessment/re-assessment and what will the rates be?

Assessments and reassessments will continue to be provided by the traditional waiver provider and billed through the claims payment system. Rates will not change.

44. Will CDO be available under Medicare?

CDO is an option under the Medicaid waivers and is not covered by Medicare.

45. Do providers have choice in whether or not to provide services when the member wants to receive blended services?

Yes, but the determination shall be based on whether the provider can meet the individual's needs. It may not be contingent upon the consumer receiving unwanted or other services in addition to what they are requesting.

46. Does the member take out FICA, etc.?

All CDO services will be paid through the ADD's. The ADD will calculate and deduct all taxes, etc.

47. Does participation in CDO affect the member's taxes?

No.

48. What happens if the selected employee "flunks" the background check?

The Support Broker will advise the member to select another employees

49. Who trains the AAAs? The Providers? The Participants?

Medicaid will conduct Train the Trainers on Person Centered Planning, Self Determination and Consumer Directed Option for the Support Brokers. The Support Brokers will train the Consumers and their employees. Employees must get training in First Aid and CPR, which they must pay out of their pockets.

50. If the individual providing care services has to attend training, do they get reimbursed for their time?

No.

51. How does the participant know what his/her budget is?

Medicaid will notify the Support Broker of the member's budget. The Support Broker shares this information with the member while developing the POC/SSP.

52. What is the communication process between the traditional provider and the support broker?

The traditional provider must provide the Support Broker with a copy of the initial assessment, additional assessments, and annual assessments and plans of care and assist in development of the POC/SSP. If the member retains the traditional provider for blended services, the Support Broker will be in contact with the traditional provider to assure the traditional provider provides the services to the member.

53. Can a traditional provider be a CDO provider?

Yes. If they are agreeable to negotiating rates, times of visits, etc., and be willing to be paid through the Financial Management Agency.

54. What is the incentive for the AAA's to do CDO?

They will be able to provide a service that empowers the member to choose providers, direct their services and improve their lives.

55. What is the reimbursement rate for the Support Broker?

The reimbursement rate for Support Broker is \$260 per member per month.

56. What if a provider employed by a traditional agency wants to be hired to provide CDO services?

The provider can enter into an employment contract with the member as long as the traditional agency does not have a policy prohibiting the provider from additional employment.

57. What documentation (forms) are needed by the support broker?

- MAP 350 Estate Recovery/Freedom of Choice Form
- Freedom of Choice to Hire Family
- MAP 351 Medical Waiver Assessment Form
- MAP 071 Consumer Rights and Responsibilities under the CDO Program
- MAP 073 Termination of CDO
- MAP 074 Consumer Directed Option Provider Agreement
- MAP 145 Plan of Care/Prior Authorization for SCL Waiver Services
- AOC-PT-49 Criminal Check Request Form from AOC
- Notice of Right to an Administrative Hearing
- Person Centered Planning: Guiding Principles

Addendum to MAP 351

Addition of CDO Services:

I understand that I have the freedom to choose the Consumer Directed Option for some or all of my Supports for Community Living Waiver services. My case manager has explained this option to me and I have chosen the Consumer Directed Option for some or all of my services.

Member's Signature Date

Member's MAID Number: _____

Date Referred to Support Broker: _____

Support Broker's Name: _____

Support Broker's Provider Number: _____

OR

Termination of CDO Services and Return to Traditional Provider:

I understand that I have the freedom to terminate my services obtained through the Consumer Directed Option and choose to receive my services through the traditional waiver program. The Support Broker has explained the termination process to me and I have chosen to receive services from the traditional Supports for Community Living Waiver provider(s).

Member's Signature Date

Member's MAID Number: _____

Date Referred to Traditional Provider: _____

Traditional Provider Name: _____

Provider Number: _____